

JAMES P. KRAUZLIS, ESQ.
BADIAK & WILL, LLP
Attorneys for Plaintiff
106 3rd Street
Mineola, New York 11501
(516) 877-2225
Our Ref. : 07-F-011-JK

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

ST. PAUL FIRE AND MARINE INSURANCE COM-
PANY a/s/o Kanan Fashions, Inc.,

Plaintiff,

- against -

AMERICAN AIRLINES, INC.,

Defendant.

ECF CASE

07 Civ. 10593 (GBD)

AFFIRMATION

-----X

JAMES P. KRAUZLIS, an attorney duly admitted to the practice of law in New York and a member of the bar of this Honorable Court, affirms under the penalty of perjury:

1. I am a partner of the law firm Badiak & Will, LLP, attorneys for St. Paul Fire and Marine Insurance Company ("St. Paul"), as subrogee of Kanan Fashions, Inc. ("Kanan") and am fully familiar with the facts of this case and with the prior proceedings had herein.

2. This affirmation is submitted in opposition to American Airlines, Inc., ("American") motion for an Order pursuant to Rule 56 of the Federal Rules of Civil Procedure dismissing the complaint of St. Paul with prejudice.

3. The basis for this affirmation is the undersigned's discussions with Antionette Alvarez nee Romero, formerly employed as the Logistics Manager for Kanan and now employed as the Inventory Supply Chain Analyst for Kanan, and the documents produced from the files of Kanan. Ms. Alvarez was personally involved in the logistics of arranging for the air carriage of the subject shipment from the supplier in Sri Lanka up to and including delivery to Kanan's distribution warehouse in the Chicago area. The undersigned attempted to obtain an affidavit from Ms. Alvarez in lieu of the undersigned's affirmation, but Ms. Alvarez was not presently available to provide an affidavit. Should this Honorable Court prefer, the undersigned will obtain an affidavit from Ms. Alvarez covering the factual points set forth herein upon her being available and will submit said to the Court at that time.

4. On or before November 16, 2005, Kanan purchased 5,928 pieces of Mens' Fleece Jackets from Gartex Industries Lanka (Pvt), Ltd. ("Gartex"), in Biyagama, Sri Lanka. Under the terms of the purchase agreement, Kanan was the consignee and purchaser of the goods, with Met Logistics, Kanan's receiving agent and customs broker, designated as the Notify Party. The terms of sale were FOB Ex Factory, which meant Kanan took delivery of the goods from the Gartex factory in Sri Lanka and arranged for carriage of the cargo from Sri Lanka to Chicago. A commercial invoice was issued by Gartex numbered GTX/K/005/05 and dated November 16, 2005, covering this transaction. Attached hereto as "Exhibit 1" is a true and actual copy of the aforementioned commercial invoice, referred to herein.

5. Kanan retained the services of Expolanka Freight Limited, an international air & sea freight forwarder located in Colombo, Sri Lanka, to make the necessary arrangements in taking

delivery of the shipment from the Gartex factory, and to also arrange for the carriage of the subject shipment from Colombo, Sri Lanka, to Chicago, Illinois.

6. Expolanka Freight Limited, acting as an international air freight forwarder, arranged for air carriage of the subject shipment for Kanan Fashions from the airport of origin, Colombo, Sri Lanka, to Chicago, O'Hare International Airport, by booking the shipment with the international air carrier Sri Lankan Airlines for carriage from Colombo, Sri Lanka, to London's Heathrow Airport and, thereafter, carriage by American from Heathrow to Chicago, all of which was pursuant to an air waybill issued on behalf of Sri Lankan Airlines Limited numbered 603-2906-1292, dated November 18, 2005 ("master air waybill"). Attached hereto as "Exhibit 2" is a true and actual copy of the air waybill numbered 603-2906-1292 issued on behalf of Sri Lanka Airlines Limited dated November 18, 2005, referred to herein.

7. In booking the air carriage of the subject shipment under the master air waybill for Kanan, Expolanka designated Met Logistics as the consignee pursuant to the instructions of Kanan as Met Logistics was retained by Kanan to act as its receiving and customs clearing agent to receive and clear the shipment through customs upon arrival at Chicago.

8. Thereafter, Expolanka issued its house air waybill numbered EFL 000098220, dated November 19, 2005 ("house air waybill"), covering the aforementioned air carriage arrangement. Attached hereto as "Exhibit 3" is a true and actual copy of the air waybill numbered EFL 000098220 issued by Expolanka dated November 19, 2005, referred to herein.

9. Expolanka Freight Limited ("Expolanka") issued an invoice to Kanan for the services rendered by Expolanka in booking and arranging the international air carriage of the subject

shipment from Colombo to Chicago, which was paid by Kanan. Attached hereto as "Exhibit 4" is a true and actual copy of the Invoice issued by Expolanka to Kanan referred to herein.

10. Kanan hired Met Logistics to act as Kanan's receiving agent and customs broker for purposes of clearing the subject shipment upon its arrival in Chicago and for taking delivery of the goods from American Airlines and carrying same to Creative Warehouse, pursuant to the instructions and directions of Kanan to Met Logistics.

11. In booking the air carriage of the subject shipment for Kanan, Expolanka designated Met Logistics as the consignee pursuant to the instructions of Kanan as Met Logistics was hired by Kanan to act as its receiving agent and customs clearing agent to receive and clear the shipment through customs. Accordingly, Met Logistics issued a Delivery Order to permit the trucker hired by Met Logistics, Screaming Eagle, to take delivery of the shipment from American Airlines at O'Hare International Airport in Chicago and to deliver the shipment at Creative Warehouse in Aurora, IL, c/o Kanan. Attached hereto as "Exhibit 5" is a true and actual copy of the Delivery Order referred to herein.

12. Pursuant to its agency relationship, Met Logistics received the subject shipment on behalf of Kanan from American Airlines at the American Airlines Cargo facility at Chicago's O'Hare International Airport.

13. At the time of receipt of the subject shipment from American in Chicago by Met Logistics, as receiving agent for Kanan, Met Logistics reported to its principal, Kanan, that the trucker hired to receive and deliver the shipment was received from American advised that the shipment was received from American wet and possibly with damaged cartons. This advice was

sent by Met Logistics to Kanan by an email dated December 2, 2005. Attached hereto as "Exhibit 6" is a true and actual copy of the email sent by Met to Kanan on December 2, 2005, referred to herein.

14. Pursuant to it's duties as the customs broker for Kanan, Met Logistics prepared and filed an Entry Summary covering the cargo, dated December 13, 2005, in which it notes the importer of record was Kanan. Attached hereto as "Exhibit 7" is a true and actual copy of the Entry Summary filed by Met Logistics for Kanan on December 13, 2005, as Customs Broker, referred to herein.

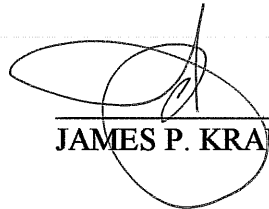
15. Met Logistics charged Kanan for it's services as receiving agent and customs agent, including a fee for taking delivery of the subject shipment from American on Kanan's behalf and delivery same to Creative Warehouse pursuant to the instructions and directions of Kanan to Met Logistics and issued an invoice dated December 15, 2005 covering the charges for it's services. Attached hereto as "Exhibit 8" is a true and actual copy of the Invoice issued by Met Logistics to Kanan dated December 15, 2005, referred to herein.

16. On or before March 14, 2006, Kanan submitted a claim with St. Paul under a Cargo Insurance Policy numbered OC01200350 issued by St. Paul to Kanan and covering the subject shipment, and St. Paul issued payment to Kanan for the losses sustained to the subject shipment during air transit in the amount of \$33,303.91, which represented the total claim of \$43,303.91 less a deductible of \$10,000.00, and thereafter, on May 16, 2007, in exchange for the claim payment, Kanan executed a Subrogation Receipt on behalf of St. Paul, assigning to St. Paul all the rights, claims and interest which Kanan has against any person or corporation in respect to

the loss, damage or expense suffered by Kanan. Attached hereto as "Exhibit 9" is a true and actual copy of the Subrogation Receipt issued by Kanan on May 16, 2007, referred to herein.

17. Pursuant to the agreement and practice between St. Paul and Kanan, St. Paul thereafter filed a complaint against American Airlines in connection with the damages sustained to the subject shipment and pursuant to said subrogation rights St. Paul claimed the full extent of the claim suffered by Kanan, including both the amount paid to Kanan in the amount of \$33,303.91 and Kanan's deductible in the amount of \$10,000.00, for a total amount claimed in the subject Complaint of \$43,303.91.

Dated: Mineola, New York
June 27, 2008



JAMES P. KRAUZLIS (JK-4972)

Index No.: 07 CV 10593 (GBD)

AFFIDAVIT OF SERVICE

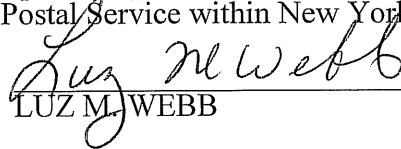
STATE OF NEW YORK)
)SS.:
COUNTY OF NASSAU)

I, Luz M. Webb, being duly sworn, deposes and says:

I am not a party to the within action, am over 18 years of age and reside c/o Badiak & Will, LLP, 106 3rd Street, Mineola, New York 11501-4404. On June 27, 2008 I served the within AFFIRMATION on:

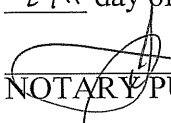
Attn: Francis A. Montbach
MOUND COTTON WOLLAN & GREENGRASS
One Battery Park Plaza
New York, New York 10004

by depositing a true copy thereof enclosed in a post-paid wrapper in an official depository under the exclusive care and custody of the United States Postal Service within New York State.



LUZ M. WEBB

Sworn to before me this
27th day of June, 2008



NOTARY PUBLIC

JAMES P. KRAUZLIS
Notary Public, State of New York
No. 02KR5051531
Qualified in Suffolk County
Commission Expires Nov. 6, ~~2010~~

1/11/2010

EXHIBIT 1

Gartex Industries Lanka (Pvt) Ltd.P.O. Box 08, Export Processing Zone, Sri Lanka. Tel: 01-465187-8, Fax: 01-465172, 01-465178.
E-mail: - gartex@gartexlanka.com**COMMERCIAL INVOICE**

SHIPPER / SELLER Gartex Industries Lanka (Pvt) Ltd P.O. Box 08, E.P.Z. Biyagama, Sri Lanka		CONSIGNEE KANAN FASHION INC., 17W, 22nd Street Suite 220, oakbrook terrace, IL 60181(USA) ATTN: P. Joshi Tel: 01-830-833-1234 Fax: 630-833-1237 NOTIFY: MET LOGISTICS 333, Pierce Road, STE 150B, Itasca, IL 60143 Tel: 630-735-0176, Fax: 630-735-0210 Attn: Heather Hughes		INVOICE NO. GTX/K0050 DATE: 16-Nov-07 PAGE: 1 OF 1	
GOODS DELIVERED TO: CHICAGO U.S.A		FOR EXPORT VIA: AIR X SEA POST		COMPLETE X PARTIAL	
SHIPPED PER: BY AIR		ON 21-Nov-05		FROM SRI LANKA TO CHICAGO U.S.A	
TERM EX-FACTORY FOB X		PACKING: AT COST INCLUDED		PAYMENT: LETTER OF CREDIT X	
SHIPPING MARK	STYLE (ITEM) NUMBER	DESCRIPTION OF GOODS (Indicate Sizes & Colors when applicable)	GRAND TOTAL QUANTITY	UNIT PRICE (USD) "FOB"	GRAND TOTAL AMOUNT
DESTINATION: KANAN FASHIONS MADE IN SRI LANKA CARTON NO: 1-83	J9133-N-S	<i>Knitted, not out door.</i> MEN'S FLEECE JACKET PO# COLOR J9133-N-S-1105 NAVY W/WHITE STRIPES	996 PCS	4.00 /PC	US\$ 3,984.0
CARTON NO: 84-162	J9133-B-S	J9133-B-S-1105 BLACK W/WHITE STRIPES	948 PCS	4.00 /PC	US\$ 3,792.0
CARTON NO: 163-247	J9133-HG-S	J9133-HG-S-1105 HEATHER GREY W/WHITE STRIPES	1,020 PCS	4.00 /PC	US\$ 4,080.0
		MEN'S FLEECE PANT <i>6103</i> PO# COLOR P9132-N-S-1105 NAVY W/WHITE STRIPES	996 PCS	4.00 /PC	US\$ 3,984.0
CARTON NO: 84-162	P9132-B-S	P9132-B-S-1105 BLACK W/WHITE STRIPES	948 PCS	4.00 /PC	US\$ 3,792.0
CARTON NO: 163-247	P9132-HG-S	P9132-HG-S-1105 HEATHER GREY W/WHITE STRIPES	1,020 PCS	4.00 /PC	US\$ 4,080.0
		TOTAL CARTONS <i>494</i> TOTAL CBM 59.62			
		DELIVERY TO CHICAGO	5,928 PCS	USD	23,712.0
		TOTAL AMOUNT US\$ TWENTY THREE HUNDRED SEVEN HUNDRED TWELVE ONLY			

C/O: LK

GARTEX INDUSTRIES LANKA (PRIVATE) LTD.

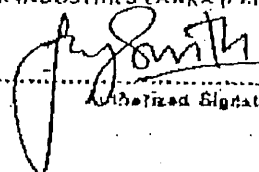

 Authorized Signature

EXHIBIT 2

603 CMB 29061292

INTL

603 29061292



Shipper's Name and Address EXPOLANKA FREIGHT LTD 10 MILE POST AVENUE P.O. BOX 1152 COLOMBO 3/LK		Shipper's Account Number 000000010007		Not Negotiable Air Waybill Issued by Level 22, East Tower, World Trade Centre, Echelon Square, Colombo 1, Sri Lanka www.srilankancargo.com www.srilankan.aero		SRI LANKAN AIRLINES COLOMBO  SriLankan Airlines Limited	
Consignee's Name and Address MET LOGISTICS 333 PIERCE ROAD, STE 1508, ITASCA, IL ATTN: HERMER HUGHES UNITED STATES/US		Consignee's Account Number		Copies 1, 2 and 3 of this Air Waybill are originals and have the same validity.			
Issuing Carrier's Agent Name and City EXPOLANKA FREIGHT - 010007//AH		Accounting Information					
Agent's IATA Code 0730001		Account No.					
Airport of Departure (Addr. of First Carrier) and Requested Routing COLOMBO				Reference Number AH//01USD/101.85LKR-CMB		Optional Shipping Information	
To	By First Carrier	Routing and Destination	To	By	To	By	Declared Value for Carriage
LNR	UL		ORD	AA			NVD
Airport of Destination O HARE INTERNATIONAL		Requested Flight/Date UL0505/22		Amount of Insurance NIL		INSURANCE - If carrier offers insurance, and such insurance is requested in accordance with the conditions thereof, indicate amount to be insured in figures in box marked "Amount of Insurance".	
Handling Information				LOCN-AWB2/ 494P			
INFO-POUCH ATTACHED				SCI			
No. of Pieces PCP	Gross Weight	kg	Rate Class	Chargeable Weight	Rate	Total	Nature and Quantity of Goods (incl. Dimensions or Volume)
494	5225.0K	kg					CONSOL
494	5225.0K	kg					
Prepaid		Weight Charge		Collect		Other Charges	
Valuation Charge		Tax		Total Other Charges Due Agent		Shipper certifies that the particulars on the face hereof are correct and that insofar as any part of the consignment contains dangerous goods, such part is properly described by name and is in proper condition for carriage by air according to the applicable Dangerous Goods Regulations.	
Total Other Charges Due Carrier		Total Prepaid		Total Collect		Signature of Shipper or his Agent	
Currency Conversion Rates		CC Charges in Debit Currency		18NOV05		CAK	
For Carrier's Use only at Destination		Charges at Destination		Executed on (date) at (place)		Signature of Issuing Carrier or its Agent	
Total Collect Charges		TIME ACCT 2146		DATE ACCT 21NOV05			

EXHIBIT 3

19-11-2005

COLOMBO

EXL

Shipper's Name and Address GARTEX INDUSTRIES LANKA (PVT) LTD P.O.BOX 08 , EXPORT PROCESSING ZONE , BIYAGAMA, SRI LANKA.		A/C No		 EXPOLANKA FREIGHT LIMITED INTERNATIONAL AIR & SEA FORWARDERS 10, Milepost Avenue, Colombo 3, Sri Lanka Phone: 94 (11) 4791000 (Multiple Lines) Telex: 21315 EXPLNKA CE Fax: 94 (11) 2574213, 94 (11) 2576725 E-mail: expocmb@expolanka.com Web Site: www.expolankafreight.com	
Consignee's Name and Address KANNAN FASHIONS INC 17W, 22ND STREET, SUITE 220, OAKBROOK TERRACE IL 60181 (USA) ATTN. 01-630-83301234 FAX. 630-833-1237		A/C No		COPIES MARKED ORIGINAL ARE ORIGINALS AND HAVE SAME VALIDITY THE SHIPPER (THE CUSTOMER) CERTIFIES THAT THE PARTICULARS ON THE FACE HEREOF ARE CORRECT AND AGREES TO THE CONDITIONS SET OUT ON THE REVERSE SIDE HEREOF WHICH SHALL BE DEEMED TO BE INCORPORATED HEREIN _____ Signature of Shipper	
Notify Party MET LOGISTICS 333, PIERCE ROAD, STE 150 B, ITASCA, IL 60143.TEL. 630-735-0176 FAX. 630-735-0210 ATTN. HEATHER HUGHES FAX. 630-833-1237		Special Instructions			
Airport of Departure and Requested Routing COLOMBO, SRI LANKA		Amount of Insurance		INSURANCE: If shipper requests insurance in accordance with conditions on reverse hereof, indicate amount to be insured in figures in box marked "Amount of Insurance"	
Destination CHICAGO		MASTER AIRWAYBILL NO. 603-2906 1292		CARRIER AND FLIGHT NO. UL 505 21-11-2005	
No of Packages & Method of Packing	Actual Gross Weight	Kg/ lb.	Chargeable Weight	Rate/Charge	Description and Marks
494 CTNS MARKS & NOS DESTINATION: CHICAGO, USA KANNAN FASHIONS MADE IN SRI LANKA	5,225.00	Kg	10936.00	AS AGREED	47 CARTONS SAID TO CONTAIN 2964 PCS OF MEN'S FLEECE JACKET 47 CARTONS SAID TO CONTAIN 2964 PCS OF MEN'S FLEECE PANT TOTAL - 494 CTNS FOR DETAILS PLS SEE ATTACHED SHEET FREIGHT COLLECT
Prepaid	Air Freight	Collect	85X69X55 cm 494 CTNS		
AS AGREED			DOC to Accompany Airtel COMMERCIAL INVOICE PACKING LIST DECLARATION		
Govt Tern Chgs/A.D.C.					
CIR Loading Charge					
IATA CIR Breakdown Charge					
Handling Charge					
Carriage			Duty		
Insurance Premium			Delivery		
Other Charges			H/C		
Total Prepaid			Total Collect		
For Office Use only at Destination			Charges at Destination		
Total Collect Charges			Total		

19-11-2005 COLOMBO

Executed on (Date) at (Place) Signature of Issuing Agent

EXPOLANKA

EFL 000098220

EXHIBIT 4

INTERNATIONAL AIR & OCEAN FREIGHT FORWARDERS
NO. 10, MILE POST AVENUE, COLOMBO 3, SRI LANKA.

PHONE : 94 (11) 4791000 (Multiple Lines)
FAX : 94 (11) 2574213, 94 (11) 25767
E mail : expocmb@expolanka.com
Web Site : www.expolankafreight.com

INVOICE

KANAN FASHION INC
17W 220,22ND STREET,
SUITE 220,OAKBROOK TERRACE,IL-60181,
UNITED STATES

INVOICE NO: 11-I-20171

DATE: 03/12/2005

JRS NO: 11-05/06-03328

VAT NO: 104083536-7000

FLIGHT UL 505

FLIGHT DATE 21/11/2005

DESTINATION CHICAGO

MAWB NO 603-2906 1292

HAWB NO EFL 000098220

CTNS 494

WEIGHT 10,936.00

USD @ 101.85 RS

PARTICULARS

USD

Cts.

FREIGHT CHARGES

(10,936.00KG x 2.55USD = 27,886.80)

27,886.80

FUEL CHARGES

(5,225.00KG x 0.55USD = 2,873.75)

2,873.75

WAR RISK SURCHARGE

(5,225.00KG x 0.10USD = 522.50)

522.50

ADVANCE MANIFEST CHG

(1.00FT x 7.00USD = 7.00)

7.00

Vendor ID:

EFL

Account#:

5505

VCH/RCT#:

30732

Date Entered:

12/22/05

USD: THIRTY-ONE THOUSAND TWO HUNDRED NINETY AND CENTS FIVE ONLY

POSTED

Remarks :

Total

31,290.05

Deductions

31,290.05

E. & O. E.

Net Due

Terms : Service rendered as per our Trading Conditions.
The account will be correct unless queried within 7 days.

For EXPOLANKA FREIGHT LTD.

Authorised Signatory

Cheques must be crossed and drawn in favour of Expolanka Freight Limited.

EXHIBIT 5

MET LOGISTICS CHB, LLC
333 PIERCE ROAD
SUITE 150B
ITASCA, IL 60143 US

Tel: 630-735-0162
Fax: 630-735-0225

2851
STORAGE
THRU 12/3

KANAN FASHIONS INC
17W220 22ND ST STE 220
OAKBROOK TERRACE, IL 60181-4477 US

DATE
12/01/2005

OUR REF. NO.
3907692

THE MERCHANDISE DESCRIBED BELOW
WILL BE ENTERED AND FORWARDED AS
FOLLOWS:

IMPORTING CARRIER AMERICAN AIRLINES (AM)		LOCATION AMERICAN AIRLINES CARGO		FROM PORT OF / ORIGIN AIRPORT	
B/L OR AWB NO. 60329061292	ARRIVAL DATE 11/24/2005	FREE TIME EXP. 12/04/2005	LOCAL DELIVERY OR TRANSFER BY (DELIVERY ORDER ISSUED TO) SCREAMING EAGLE		
INLAND CARRIER		WAB NO. EFL000098220	ENTRY NO. BLD-3907692-0	CUST. REF. NO.	
FOR DELIVERY TO CREATIVE WHSE C/O KANAN FASHIONS 1103 BUTTERFIELD ROAD AURORA, IL 60504 US Contact: ANTIONETTE 630-600-3151			ROUTE 3 hours @ AA NOTIFY: Rebuilt 14 of 18 skids		

NO. OF PKGS.	DESCRIPTION OF ARTICLES, SPECIAL MARKS & EXCEPTIONS	WEIGHT	DO NOT USE
494 CTN 486 494	MEN'S KNIT FLEECE JACKET & FLEECE PANT ISSUER MASTER 60329061292 EFL000098220 Julio de la Torre Pali de la Torre 12-5-05 9:00 am 486 ches.	24110 LB	

INLAND FREIGHT

PREPAID / COLLECT
PREPAID

Received in Good Order
By:

Liability, including negligence is limited to the sum of \$50.00 per shipment, unless a greater valuation shall be paid for or agreed to be paid in writing prior to shipping.

DELIVERY CLERK: DELIVER
TO CARRIER SHOWN ABOVE

PEA MARIA YOUNGJUK KIM

Page 1
ORIGINAL

EXHIBIT 6

Janene Porten

From: Janene Porten
Sent: Friday, December 02, 2005 2:32 PM
To: 'Antionette Romero'
Cc: Maria Kim
Subject: 603-29061292

Good Afternoon, Antionette.

Please be advised I received a call from my trucker who is at American Airlines and is noting wet and possibly damaged cartons. He is not sure of the total count yet but they are getting all of the information on these now.

I have also confirmed this information with a supervisor at American Airlines.

My trucker has informed me that American Airlines did not put the cartons properly onto skids and there will be additional charges for re-stacking of the skids and the additional time. *

Please let me know what you would like to be done from here.

I will let you know as soon as I have more information.

Best Regards,

Janene Porten

MET Logistics CHB, LLC

333 Pierce Road, Suite 150B

Itasca, IL 60143

Phone: 630-735-0196

Fax: 630-735-0210

Email: janene.porten@metlogistics.com

12/15/2005

EXHIBIT 7

MET Logistics CHB, LLC
333 Pierce Rd, Ste 150B
Itasca, IL 60143

1. Entry No. 3907692-0	2. Entry Type 01 ABI/A	3. Entry Date 12/13/2005	4. Entry Date 12/01/2005	5. Port Code 3901	6. Bond No. 353	7. Bond Type Code 8	8. Broker/Importer File No. 3907692
9. Ultimate Consignee Name and Address IL STATE				10. Consignee No. SAME		11. Importer of Record Name and Address KANAN FASHIONS INC 17W220 22ND ST STE 220 OAKBROOK TERRACE, IL 60181-4477	
12. Importer No. 36-382347700				13. Exporting Country LK		14. Export Date 11/24/2005	
15. Country of Origin LK				16. Missing Documents		17. I.T. No.	
18. I.T. Date				19. BL or AWB No. 60329061292		20. Mode of Transportation 40	
21. Importing Carrier AA				22. Reference No.		23. Location of Goods/G.O. No. FIRMS: I317-AMERICAN AIRLINES CARGO FLT: 047	
24. U.S. Port of Unloading 3901				25. Import Date 11/24/2005		26. Manufacturer I.D. LKGARIND8BIY	
27. Foreign Port of Lading				28. Location of Goods/G.O. No.		29. Reference No.	

28. Line No.	30. A. T.S.U.S.A. No. B. ADA CVD Case No.	29. Description of Merchandise		32. Net Quantity in T.S.U.S.A. Units	33. A. Entered Value B. CHGS C. Relationship	34. A. T.S.U.S.A. Rate B. ADA/CVD Rate C. I.R.C. Rate D. Visa No.	35. Duty and I.R. Tax	
		31. A. Gross Weight B. Manifest Qty.					Dollars	Cents
001		INVOICE 00001 GTX/K/005/05 SUIT-TYP JK/BL,M/B,COTT,KN/CR	5468	247 DOZ (2123 KG)	NOT RELATED			
002		6103.32.0000 CAT 333 MERCHANDISE PROCESSING FEE	5468	247 DOZ (1878 KG)	11856 C16404	13.5% 0.21%	1600.56	24.90
		6103.42.1020 CAT 347 MERCHANDISE PROCESSING FEE	5468	247 DOZ (1878 KG)	11856 C16404	16.1% 0.21% 0.00728/KG	1908.82	24.90 13.67
		BLOCK 39 SUMMARY: MPF COTTON IMPORT	499 056	49.80 13.67	TEV\$23712.00			

36. Declaration of Importer of Record (Owner or Purchaser) or Authorized Agent

I declare that I am the
☐ importer of record and that the actual
owner, purchaser, or consignee for customs
purposes is as shown above. OR ☒ owner or purchaser or
agent thereof.
I further declare that the merchandise
was obtained pursuant to a purchase or
agreement to purchase and that the prices
set forth in the invoice are true. OR ☐ was not obtained pursuant to a purchase or
agreement to purchase and the statements
in the invoice as to value or price are true
to the best of my knowledge and belief.
I also declare that the statements in the documents herein filed fully disclose to the best of my knowledge
and belief the true prices, values, quantities, rebates, drawbacks, fees, commissions, and royalties and
are true and correct, and that all goods or services provided to the seller of the merchandise either free
or at reduced cost are fully disclosed. I will immediately furnish to the appropriate customs officer any
information showing a different state of facts.

Notice Required by Paperwork Reduction Act of 1980. This information is needed to ensure that impor-
ters/exporters are complying with U.S. Customs laws, to allow us to compute and collect the right amount
of money, to enforce other agency requirements, and to collect accurate statistical information on imports.
Your response is mandatory. (Continued on back of form.)

U.S. CUSTOMS USE		TOTALS	
A. Liq. Code	B. Ascertained Duty	37. Duty	3509.38
	C. Ascertained Tax	38. Tax	
	D. Ascertained Other	39. Other	63.47
	E. Ascertained Total	40. Total	3572.85
41. Signature of Declarant, Title, and Date MARIA YOUNGJUK KIM, A.I.F.		12/15/2005	

EXHIBIT 8

353 PIERCE ROAD

SUITE 150B

ITASCA, IL 60143

Phone: 630-735-0145 Fax: 630-735-0210

INVOICE

SERVICES BILLED TO:

KANAN FASHIONS INC
17W220 22ND ST STE 220
OAKBROOK TERRACE, IL 60181-4477

ACCT. NO. KANFAS	INVOICE NO. 3907692
INVOICE DATE 12/15/2005	FILE NO. 3907692
DUE DATE 01/14/2006	YOUR REFERENCE NO.
TERMS 30 DAYS AFTER BILLING DATE	

AIRLINE/STEAMSHIP AMERICAN AIRLINES (AMERICAN EAGLE) 047	MASTER 60329061292	HOUSE EFL000098220
--------------------------------------------------------------------	------------------------------	------------------------------

ARRIVAL DATE 11/24/2005	DEPARTURE DATE 11/24/2005	SHIPPER/CONSIGNEE GARTEX INDUSTRIES LANKA	ORIGIN/DESTINATION CHICAGO, IL
PIECES 494	WEIGHT 10,936	KANAN FASHIONS INC	

DATE OF ENTRY 12/01/2005	ENTRY # BLD-3907692-0	DESCRIPTION MEN'S KNIT FLEECE JACKET & FLEECE P
------------------------------------	---------------------------------	---------------------------------------------------------------

DUTY PAID DIRECT \$3,572.85		THE IMPORTER MUST FURNISH MISSING DOCUMENTS WITHIN THE PERIOD OF TIME REQUIRED BY CUSTOMS REGULATIONS TO AVOID CUSTOM PENALTIES
ENTRY FEE	75.00	
MESSENGER SERVICE FEE	10.00	
AIR TERMINAL	25.00	
CARTAGE PLUS \$150 RESTACKING FEE	542.00	
Vendor ID: MEN	Vendor ID: USC	
Account#: 8527	Account#: 6500	
VCH/RCT#: 31025	VCH/RCT#: 30905	
Date Entered: 1/6/05	Date Entered: 1/3/06	
		SUBTOTAL
		652.00
		INTREST
		0.00
		LESS DEPOSIT
		0.00
		PLEASE PAY THIS AMOUNT
		652.00

REMARKS

THANK YOU FOR YOUR BUSINESS
WITH MET LOGISTICS CHB, LLC
A 2% CHARGE WILL BE APPLIED TO ALL
INVOICES THAT ARE PAST 30 DAYS

IMPORTANT: SEE TERMS AND CONDITIONS OF SERVICE ON REVERSE SIDE.

If you are the importer of record, payment to the broker will not relieve you of liability for Customs charges (duties, taxes or other debts owed Customs) in the event the charges are not paid by the broker. Therefore, if you pay by check, Customs charges may be paid with a separate check payable to the "U.S. Customs Service" which shall be delivered to Customs by the broker.

ORIGINAL INVOICE

EXHIBIT 9



**ST PAUL
TRAVELERS**

St Paul Fire & Marine
P. O. Box 9093, MC MC9093
100 Baylis Road
Melville, NY 11747-9093
Telephone: (631) 577-7397
Fax: (631) 577-7877

SUBROGATION RECEIPT

POLICY NO/CLAIM NO. OC0120035012H002 (V2Q9768)
ASSURED: Kanan Fashions, Inc.
DATE OF LOSS: 12/02/2005

Received of the St. Paul Fire and Marine Insurance Company the sum of Thirty three Thousand Three Hundred & Three & 91/100 Dollars (\$33,303.91) in full settlement of all claims and demands of the undersigned for loss of or damage or expense in respect of (details of loss) Water Damage to clothing.

In consideration of said payment:

The undersigned subrogates, assigns and transfers to said Insurance Company all the rights, claims and interest which the undersigned may now or in the future have, in contract or tort, in general average or otherwise, against any person or corporation in respect of the loss, damage or expense suffered by the undersigned or on its behalf.

The undersigned authorizes the said Insurance Company to sue, in the undersigned's name and compromise or settle all such claims and to execute and sign releases and acquittances and endorse checks or drafts given in settlement of such claims in the name of the undersigned with the same force and effect as if the undersigned executed or endorsed them.

The undersigned covenants and agrees to cooperate fully and assist said Insurance Company in the prosecution of any actions or claims, and to procure and furnish all witnesses, papers, documents or things necessary in such proceedings, to attend and testify at any court proceedings, execute documents and perform such other acts as may be requested by said Insurance Company in connection with such actions or claims.

The undersigned warrants that it is the sole owner of any said property and is the one entitled to enforce all claims and causes of action whatsoever arising from loss or damage to said property. The undersigned further warrants that no settlement has been made with any person or corporation against whom a claim may lie, and no release has been given to anyone and that no such settlement will be made nor release given by the undersigned without written consent of said Insurance Company.

The undersigned warrants that said payment shall not inure to the benefit of any carrier under the provisions of any contract of carriage or otherwise; that in making payment the said Insurance Company does not waive any rights of subrogation or otherwise against any carrier or bailee; and that the acceptance of this receipt shall not prejudice or take away any rights or remedies which the said Insurance Company would otherwise have by virtue of such payment.

Authorized Signature
Print Name and Title

P. R. Joshi
P. R. JOSHI, CFO.

State of Illinois
County of DuPage

On this 16th day of May, 2007 before me personally appeared _____ to me known, and known to me to be the same person described in and who executed the within instrument, and he acknowledged to me that he executed the same.

1/23/2010 My Commission Expires:

[Signature] Notary Public

GROSS CLAIM: \$43,303.91
LESS DEDUCTIBLE: \$10,000.00
NET CLAIM: \$33,303.91

Please sign and return to: St. Paul Travelers
Global Marine Recovery
100 Baylis Road
P.O.Box 9093
Melville, NY 11747-9093



KRISTEN JUNG
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
January 23, 2010